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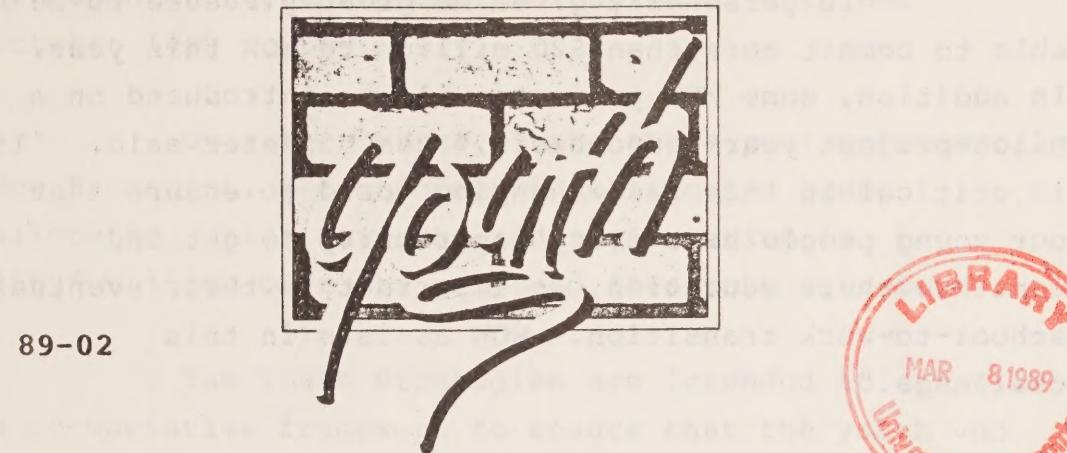
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Minister of State  
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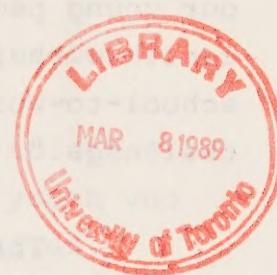
The Honourable      L'honorable

Jean J. Charest



89-02

January 27, 1989



**Youth Minister Announces \$198.9 Million for  
Challenge '89 including \$20.2 million for School  
Drop-outs**

OTTAWA -- Minister of State for Youth Jean J. Charest today announced a commitment of \$198.9 million for Challenge '89, to include the federal government's summer student employment program, and for the comprehensive Youth Strategy agreements. The Challenge announcement includes an eight-million increase to the successful Work Orientation Workshops (WOW) component aimed at Canada's "most-in-need" youth.

The SEED (Summer Employment/Experience Development) and WOW allocations total approximately \$139 million -- equal to 1988 -- of which WOW's allocation this year is pegged at \$20.2 million. WOW provides potential early school-leavers and recent drop-outs with guidance, as well as practical job experience, to help them develop future education and employment plans.

"It personally gives me great pleasure to be able to commit more than \$20 million to WOW this year. In addition, some WOW projects will be introduced on a pilot-project year-round basis," the Minister said. "It is critical in this fast-changing world to ensure that our young people have every opportunity to get and continue their education, so important in their eventual school-to-work transition. WOW assists in this challenge."

This year the SEED component will target considerably more funds to secondary level students who represent over 70 per cent of the unemployed student population. (See \* in the attached backgrounder under component # 1).

"Furthermore, the nearly \$119 million in SEED dollars will be again allocated to those regions of the country most in need."

Mr. Charest continued: "These adjustments to the Challenge program are consistent with our government's commitment to give priority to the school-to-work transition, particularly for those most in need. The five-year old Challenge program continues to demonstrate its flexibility as it evolves to meet the ever-changing marketplace."

Included in this year's \$198.9 million package is the \$31.3 million for the Youth Employment Strategies for the provinces of New Brunswick and Newfoundland.

The agreements with New Brunswick and Newfoundland were signed last September 15th and October 14th respectively.

Over the course of the three-year agreement in New Brunswick, a combined \$70 million has been allocated, while Newfoundland's allocation is \$56.5 million over the proposed five-year agreement.

The Youth Strategies are intended to establish a co-operative framework to ensure that the youth who are most in need are provided with the education, training and experience they need to make a successful school-to-work transition.

A Challenge '89 backgrounder and other material are attached.

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## Challenge '89 Backgrounder

### Background

Challenge '89 is designed to provide career/learning-related summer employment and practical work experience for young people moving through the educational system. Total funding for the program is \$198.9 million. The program is divided into the following components:

#### 1. Summer Employment/Experience Development (SEED) (\$118.8 million)

CEIC provides incentives in the form of wage subsidies to stimulate the creation of incremental, career development opportunities for students.

Where possible, this initiative complements provincial/territorial student employment programs, a co-operative process begun in 1985.

- \* The SEED program is designed to provide assistance to students through two streams: the post secondary stream which provides career-related jobs to students at the post-secondary level, with a start date in May; the secondary stream which provides practical work experience jobs to students at the secondary level, with a start date in late June or early July.

### Career/Study-Related Experience and Training

The private, public and non-profit sectors are asked to create additional openings for students to work at tasks that are clearly related to their course of studies and/or career plans. Opportunities are open to secondary students enrolled in vocational streams as well as to post-secondary students.

### Practical Work Experience and Learning

These assignments provide students with the opportunity to gain valuable work experience aimed at preparing them for their future labour market participation.

The chart below illustrates the maximum federal funding available.

	<u>Wages</u>	<u>Benefits</u>	<u>Other Costs</u>
Private sector	50% (maximum \$3.00/hr)	NIL	NIL
Public sector	100% of provincial minimum wage	NIL	NIL
*Non Profit	100% of provincial minimum wage	100%	\$20 per work-week

\* Municipalities, educational institutions and hospitals.

**NOTE:** Rates may vary between provinces/territories.

**Application forms for this program will be available at Canada Employment Centres.** Forms may also be available in provincial/territorial government offices, particularly in those provinces where joint federal-provincial/territorial programs are operating.

**2. Work Orientation Workshops (WOW) (\$20.2 million)**

Started as a pilot in 1985, this element has proved very successful in assisting young people to examine their employment and education options. WOW projects are in the form of summer workshops and on-the-job experience that provide potential early school leavers with guidance on their future participation in the labour market. This year marks the start of WOW as a year-round program on a pilot-project basis.

This initiative is implemented in partnership with the private sector, and/or community organizations, social service agencies and, following provincial consultation, educational institutions. Workshop activities range from life-skills training and personal financial management to a study of how companies function. Workplace practices and expectations, relations with other workers as well as management and skill requirements of different occupations and how to obtain them, are also part of the training. A period of on-the-job practical experience is provided to motivate participants to continue their education and to seek more specific skills training.

**3. Student Business Loans (\$900,000)**

The entrepreneurial potential of students is encouraged through the provision of Challenge '89 funds to support loan guarantees allowing students to manage and operate small businesses. Student Business Loans is based on and, where appropriate, meshed with the successful use of this approach by a number of provinces. The program, which operates in regions where a similar provincial/territorial program is not available, is administered and delivered by the Federal Business Development Bank in association with the Royal Bank and the National Bank in Quebec.

**4. Canada Employment Centres for Students and Native Internship Program (\$13.1 million)**

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Canada Employment Centres for Students provide students with advice and a referral service to help them find summer jobs. There are approximately 400 Canada Employment Centres for Students across the country (in Alberta, these centres are known as Hire-A-Student offices). The Native Internship program is designed to increase summer employment opportunities for Native students in various facets of Employment and Immigration Canada's operations allowing them to gain an understanding of how the federal bureaucracy works.

5. Business Drive for Jobs (\$800,000)

Efforts will be made again this year to encourage leading corporations and business organizations to promote the hiring of students.

## WORK ORIENTATION WORKSHOPS (WOW)

### Objective

To provide disadvantaged in-school youth and potential school leavers with guidance and work experience to help them decide on their future education and employment options.

### Background

WOW began on an experimental basis in 1985 at a funding level of \$600,000. It proved to be very successful and has expanded each year since.

<u>Year</u>	<u>Budget</u>	<u>Students Assisted</u>
1985	\$ .6 million	500
1986	\$4.0 million	2,200
1987	\$8.0 million	4,150
1988	\$12.0 million	7,100
1989	\$20.0 million	

The expansion of WOW from \$8 million funding level in 1987 to a \$12 million level in 1988 was dependent upon the capacity to develop committed and competent groups and individuals to act as sponsors of local WOW projects as well as private sector and non-profit employers to provide students with work experience. This expansion was successful in 1988 and, as a result, the program will again expand in 1989. As well, year-round WOW projects will be introduced on an experimental basis in 1989.